

House Amendment to
Senate Amendment to
House File 2459

S-5177

1 Amend the Senate amendment, H-8278, to House File
2 2459, as amended, passed, and reprinted by the House,
3 as follows:

4 1. By striking page 1, line 1, through page 20,
5 line 34, and inserting:

6 <Amend House File 2459, as amended, passed, and
7 reprinted by the House, as follows:

8 _____. By striking everything after the enacting
9 clause and inserting:

10 <DIVISION I

11 EQUAL PAY TASK FORCE AND REPORT

12 Section 1. EQUAL PAY.

13 1. An equal pay task force is created. The task
14 force shall consist of seven members appointed by the
15 governor.

16 2. The task force shall study wage discrepancies
17 within public and private employment and between public
18 and private employers.

19 3. The task force shall submit a report regarding
20 its findings and its recommendations regarding
21 potential actions for the elimination and prevention
22 of such discrepancies to the governor and the general
23 assembly no later than December 22, 2017.

24 DIVISION II

25 MISCELLANEOUS PROVISIONS — WAGE DISCRIMINATION

26 Sec. 2. ADDITIONAL UNFAIR OR DISCRIMINATORY
27 PRACTICE — WAGE DISCRIMINATION IN EMPLOYMENT.

28 1. As stated in chapter 216, the general assembly
29 finds that the practice of discriminating against any
30 employee because of the age, race, creed, color, sex,
31 sexual orientation, gender identity, national origin,
32 religion, or disability of such employee by paying
33 wages to such employee at a rate less than the rate
34 paid to other employees does all of the following:

35 a. Unjustly discriminates against the person

1 receiving the lesser rate.
2 b. Leads to low employee morale, high turnover, and
3 frequent labor unrest.
4 c. Discourages employees paid at lesser wage rates
5 from training for higher level jobs.
6 d. Curtails employment opportunities, decreases
7 employees' mobility, and increases labor costs.
8 e. Impairs purchasing power and threatens the
9 maintenance of an adequate standard of living by such
10 employees and their families.
11 f. Prevents optimum utilization of the state's
12 available labor resources.
13 g. Threatens the well-being of citizens of this
14 state and adversely affects the general welfare.
15 2. As stated in section 216.6A, it remains
16 unfair or discriminatory practice for any employer
17 or agent of any employer to discriminate against
18 any employee because of the age, race, creed, color,
19 sex, sexual orientation, gender identity, national
20 origin, religion, or disability of such employee by
21 paying wages to such employee at a rate less than the
22 rate paid to other employees who are employed within
23 the same establishment for equal work on jobs, the
24 performance of which requires equal skill, effort, and
25 responsibility, and which are performed under similar
26 working conditions. As also stated in section 216.6A,
27 an employer or agent of an employer who is paying wages
28 to an employee at a rate less than the rate paid to
29 other employees in violation of this section shall not
30 remedy the violation by reducing the wage rate of any
31 employee.

32 DIVISION III

33 STANDING APPROPRIATIONS AND RELATED MATTERS

34 Sec. 3. 2015 Iowa Acts, chapter 138, section 3, is
35 amended by adding the following new subsection:

1 NEW SUBSECTION. 4. For the peace officers'
2 retirement, accident, and disability system retirement
3 fund under section 97A.11A:

4 \$ 2,500,000

5 Sec. 4. 2015 Iowa Acts, chapter 138, is amended by
6 adding the following new section:

7 NEW SECTION. SEC. 5A. GENERAL ASSEMBLY.

8 1. The appropriations made pursuant to section
9 2.12 for the expenses of the general assembly and
10 legislative agencies for the fiscal year beginning July
11 1, 2016, and ending June 30, 2017, are reduced by the
12 following amount:

13 \$ 5,850,000

14 2. The budgeted amounts for the general assembly
15 and legislative agencies for the fiscal year beginning
16 July 1, 2016, may be adjusted to reflect the unexpended
17 budgeted amounts from the previous fiscal year.

18 3. Annual membership dues for organizations,
19 associations, and conferences shall not be paid from
20 moneys appropriated pursuant to section 2.12.

21 4. Costs for out-of-state travel and per diems
22 for out-of-state travel shall not be paid from moneys
23 appropriated pursuant to section 2.12.

24 Sec. 5. 2015 Iowa Acts, chapter 138, is amended by
25 adding the following new section:

26 NEW SECTION. SEC. 7A. Section 257.35, Code 2016,
27 is amended by adding the following new subsection:

28 NEW SUBSECTION. 10A. Notwithstanding subsection 1,
29 and in addition to the reduction applicable pursuant
30 to subsection 2, the state aid for area education
31 agencies and the portion of the combined district cost
32 calculated for these agencies for the fiscal year
33 beginning July 1, 2016, and ending June 30, 2017, shall
34 be reduced by the department of management by twenty
35 million dollars. The reduction for each area education

1 agency shall be prorated based on the reduction that
2 the agency received in the fiscal year beginning July
3 1, 2003.

4 Sec. 6. Section 2.48, subsection 3, Code 2016, is
5 amended by adding the following new paragraph:

6 NEW PARAGRAPH. *Of.* In 2016:

7 (1) The homestead tax credit under chapter 425.

8 (2) The elderly and disabled property tax credit
9 under chapter 425.

10 (3) The agricultural land tax credit under chapter
11 426.

12 (4) The military service tax credit under chapter
13 426A.

14 (5) The business property tax credit under chapter
15 426C.

16 (6) The commercial and industrial property tax
17 replacement claims under section 441.21A.

18 Sec. 7. Section 230.8, Code 2016, is amended to
19 read as follows:

20 **230.8 Transfers of persons with mental illness —**
21 **expenses.**

22 The transfer to any state hospitals or to the places
23 of their residence of persons with mental illness who
24 have no residence in this state or whose residence is
25 unknown and deemed to be a state case, shall be made
26 according to the directions of the administrator,
27 and when practicable by employees of the state
28 hospitals. The actual and necessary expenses of such
29 transfers shall be paid by the department on itemized
30 vouchers sworn to by the claimants and approved by
31 the administrator, ~~and the amount of the expenses is~~
32 ~~appropriated to the department from any funds in the~~
33 ~~state treasury not otherwise appropriated.~~

34 Sec. 8. Section 820.24, Code 2016, is amended to
35 read as follows:

1 **820.24 Expenses — how paid.**

2 When the punishment of the crime shall be the
3 confinement of the criminal in the penitentiary, the
4 expenses shall be paid ~~out of the state treasury, on~~
5 ~~the certificate of the governor and warrant of the~~
6 ~~director of the department of administrative services~~
7 by the department of corrections; and in all other
8 cases they shall be paid out of the county treasury in
9 the county wherein the crime is alleged to have been
10 committed. The expenses shall be the fees paid to the
11 officers of the state on whose governor the requisition
12 is made, and all necessary and actual traveling
13 expenses incurred in returning the prisoner.

14 DIVISION IV

15 MISCELLANEOUS PROVISIONS

16 Sec. 9. BUDGET PROCESS FOR FISCAL YEAR 2017-2018.

17 1. For the budget process applicable to the fiscal
18 year beginning July 1, 2017, on or before October 1,
19 2016, in lieu of the information specified in section
20 8.23, subsection 1, unnumbered paragraph 1, and
21 paragraph "a", all departments and establishments of
22 the government shall transmit to the director of the
23 department of management, on blanks to be furnished
24 by the director, estimates of their expenditure
25 requirements, including every proposed expenditure, for
26 the ensuing fiscal year, together with supporting data
27 and explanations as called for by the director of the
28 department of management after consultation with the
29 legislative services agency.

30 2. The estimates of expenditure requirements
31 shall be in a form specified by the director of
32 the department of management, and the expenditure
33 requirements shall include all proposed expenditures
34 and shall be prioritized by program or the results to
35 be achieved. The estimates shall be accompanied by

1 performance measures for evaluating the effectiveness
2 of the programs or results.

3 Sec. 10. TIME AND ATTENDANCE SOLUTION — EXECUTIVE
4 BRANCH. It is the intent of the general assembly that
5 executive branch agencies make use of an existing
6 master agreement entered into by the department of
7 administrative services on November 17, 2015, to
8 develop a statewide time and attendance solution.
9 The statewide time and attendance solution will
10 have the ability to generate savings within state
11 government, minimize compliance risk, and improve
12 workforce productivity with a vendor who specializes in
13 measuring metrics to monitor performance and measures
14 financial and operational activities by incorporating
15 modeling and data analytics, baseline numbers, and any
16 additional pertinent information.

17 Sec. 11. WATER QUALITY — IOWA FINANCE
18 AUTHORITY. There is appropriated from the general fund
19 of the state to the Iowa finance authority for the
20 fiscal year beginning July 1, 2016, and ending June 30,
21 2017, the following amount, or so much thereof as is
22 necessary, to be used for the purpose designated:

23 For deposit in the water quality financial
24 assistance fund created in section 16.134A, if enacted
25 by 2016 Iowa Acts, House File 2451:
26 \$ 2,000,000

27 Sec. 12. SALARY MODEL ADMINISTRATOR. The salary
28 model administrator shall work in conjunction with
29 the legislative services agency to maintain the
30 state's salary model used for analyzing, comparing,
31 and projecting state employee salary and benefit
32 information, including information relating to
33 employees of the state board of regents. The
34 department of revenue, the department of administrative
35 services, the five institutions under the jurisdiction

1 of the state board of regents, the judicial district
2 departments of correctional services, and the state
3 department of transportation shall provide salary data
4 to the department of management and the legislative
5 services agency to operate the state's salary
6 model. The format and frequency of provision of the
7 salary data shall be determined by the department of
8 management and the legislative services agency. The
9 information shall be used in collective bargaining
10 processes under chapter 20 and in calculating the
11 funding needs contained within the annual salary
12 adjustment legislation. A state employee organization
13 as defined in section 20.3, subsection 4, may request
14 information produced by the model, but the information
15 provided shall not contain information attributable to
16 individual employees.

17 Sec. 13. Section 24.32, Code 2016, is amended to
18 read as follows:

19 **24.32 Decision certified.**

20 After a hearing upon the appeal, the state board
21 shall certify its decision to the county auditor and
22 to the parties to the appeal as provided by rule, and
23 the decision shall be final. The county auditor shall
24 make up the records in accordance with the decision and
25 the levying board shall make its levy in accordance
26 with the decision. Upon receipt of the decision, the
27 certifying board shall correct its records accordingly,
28 if necessary. Final disposition of all appeals shall
29 be made by the state board ~~on or before April 30 of~~
30 each year within forty-five days after the date of the
31 appeal hearing.

32 Sec. 14. Section 284.6, subsection 8, Code 2016, is
33 amended to read as follows:

34 8. For each year in which a school district
35 receives funds calculated and paid to school

1 districts for professional development pursuant to
2 section 257.10, subsection 10, or section 257.37A,
3 subsection 2, the school district shall create quality
4 professional development opportunities. Not less
5 than thirty-six hours in the school calendar, held
6 outside of the minimum school day, shall be set aside
7 during nonpreparation time or designated professional
8 development time to allow practitioners to collaborate
9 with each other to deliver educational programs and
10 assess student learning, or to engage in peer review
11 pursuant to [section 284.8, subsection 1](#). The funds
12 may be used to implement the professional development
13 provisions of the teacher career paths and leadership
14 roles specified in [section 284.7](#) or [284.15](#), including
15 but not limited to providing professional development
16 to teachers, including additional salaries for
17 time beyond the normal negotiated agreement; pay
18 for substitute teachers; professional development
19 materials, speakers, and professional development
20 content; textbooks and curriculum materials used for
21 classroom purposes, if purchase of such textbooks and
22 curriculum materials includes professional development;
23 and costs associated with implementing the individual
24 professional development plans. The use of the funds
25 shall be balanced between school district, attendance
26 center, and individual professional development plans,
27 making every reasonable effort to provide equal access
28 to all teachers.

29 Sec. 15. Section 418.12, subsection 5, Code 2016,
30 is amended to read as follows:

31 5. If the department of revenue determines that
32 the revenue accruing to the fund or accounts within
33 the fund exceeds thirty million dollars for a fiscal
34 year or exceeds the amount necessary for the purposes
35 of [this chapter](#) if the amount necessary is less than

1 thirty million dollars for a fiscal year, then those
2 excess moneys shall be credited by the department of
3 revenue for deposit in the general fund of the state.

4 Sec. 16. Section 669.11, Code 2016, is amended to
5 read as follows:

6 **669.11 Payment of award.**

7 1. Any Except as provided in subsection 2, an award
8 to a claimant under this chapter, and any judgment in
9 favor of any claimant under this chapter, shall be
10 paid promptly out of appropriations which have been
11 made for such purpose, if any; but any such amount or
12 part thereof which cannot be paid promptly from such
13 appropriations shall be paid promptly out of any money
14 in the state treasury not otherwise appropriated.
15 Payment shall be made only upon receipt of a written
16 release by the claimant in a form approved by the
17 attorney general.

18 2. An award under this chapter, and any judgment
19 in favor of any claimant under this chapter, for a
20 claim relating to conduct or actions of an employee
21 of the hospital and medical clinics at the university
22 of Iowa that is paid by moneys from the general fund
23 of the state through the state appeal board shall be
24 reimbursed by the hospital and medical clinics at the
25 university of Iowa. Payment shall be made only upon
26 receipt of a written release by the claimant in a form
27 approved by the attorney general.

28 Sec. 17. Section 915.25, subsection 3, as enacted
29 by 2016 Iowa Acts, Senate File 2288, section 16, is
30 amended to read as follows:

31 3. Notwithstanding the provisions of sections
32 232.147, 232.149, and 232.149A, an intake or juvenile
33 court officer shall disclose to the alleged victim
34 of a delinquent act, upon the request of the victim,
35 the complaint, the name and address of the child

1 who allegedly committed the delinquent act, and
2 the disposition of the complaint. If the alleged
3 delinquent act would be a ~~forcible felony~~ serious
4 misdemeanor, aggravated misdemeanor, or felony offense
5 if committed by an adult, the intake or juvenile court
6 officer shall provide notification to the victim of the
7 delinquent act as required by [section 915.24](#).

8 Sec. 18. 2016 Iowa Acts, Senate File 2314, section
9 22, if enacted, is amended to read as follows:

10 SEC. 59. SECRETARY OF STATE. There is appropriated
11 from the general fund of the state to the office of
12 the secretary of state for the fiscal year beginning
13 July 1, 2016, and ending June 30, 2017, the following
14 amounts, or so much thereof as is necessary, to be used
15 for the purposes designated:

16 1. ADMINISTRATION AND ELECTIONS

17 For salaries, support, maintenance, and
18 miscellaneous purposes, and for not more than the
19 following full-time equivalent positions:

20	\$	1,440,890
21	FTEs	13.10
22		<u>15.60</u>

23 The state department or state agency which provides
24 data processing services to support voter registration
25 file maintenance and storage shall provide those
26 services without charge.

27 2. BUSINESS SERVICES

28 For salaries, support, maintenance, and
29 miscellaneous purposes, and for not more than the
30 following full-time equivalent positions:

31	\$	1,440,891
32	FTEs	13.10
33		<u>15.60</u>

34 DIVISION V
35 CORRECTIVE PROVISIONS

1 Sec. 19. Section 29C.24, subsection 3, paragraph
2 a, subparagraphs (3) and (6), if enacted by 2016 Iowa
3 Acts, Senate File 2306, section 2, are amended to read
4 as follows:

5 (3) The imposition of income taxes under chapter
6 422, divisions II and III, including the requirement
7 to file tax returns under sections 422.13 through
8 422.15 or section 422.36, as applicable, and
9 including the requirement to withhold and remit
10 income tax from out-of-state employees under section
11 422.16. In addition, the performance of disaster or
12 emergency-related work during a disaster response
13 period by an out-of-state business or out-of-state
14 employee shall not require an out-of-state business
15 to be included in a consolidated return under section
16 422.37, and shall not increase the amount of net income
17 of the out-of-state business allocated and apportioned
18 to the state under ~~sections~~ section 422.8 or 422.33, as
19 applicable.

20 (6) The assessment of property taxes by the
21 department of revenue under sections 428.24 through
22 428.26, 428.28, and 428.29, or chapters 433, 434,
23 435, and 437 through 438, or by a local assessor
24 under another provision of law, on property brought
25 into the state to aid in the performance of disaster
26 or emergency-related work during a disaster response
27 period if such property does not remain in the state
28 after the conclusion of the disaster response period.

29 Sec. 20. Section 29C.24, subsection 4, if enacted
30 by 2016 Iowa Acts, Senate File 2306, section 2, is
31 amended to read as follows:

32 4. *Business and employee status after a disaster*
33 *response period.* An out-of-state business or
34 out-of-state employee that remains in the state after
35 the conclusion of the disaster response period ~~for~~

1 during which the disaster or emergency-related work
2 was performed shall be fully subject to the state's
3 standards for establishing presence, residency, or
4 doing business as otherwise provided by law, and
5 shall be responsible for any resulting taxes, fees,
6 licensing, registration, filing, or other requirements.

7 Sec. 21. Section 155A.13, subsection 3, paragraph
8 d, if enacted by 2016 Iowa Acts, Senate File 453,
9 section 3, is amended to read as follows:

10 d. An applicant seeking a special or limited-use
11 pharmacy ~~licensed~~ license for a proposed telepharmacy
12 site that does not meet the mileage requirement
13 established in paragraph "c" and is not statutorily
14 exempt from the mileage requirement may apply to the
15 board for a waiver of the mileage requirement. A
16 waiver request shall only be granted if the applicant
17 can demonstrate to the board that the proposed
18 telepharmacy site is located in an area where there is
19 limited access to pharmacy services and can establish
20 the existence of compelling circumstances that justify
21 waiving the mileage requirement. The board's decision
22 to grant or deny a waiver request shall be a proposed
23 decision subject to mandatory review by the director
24 ~~of the department~~ of public health. The director
25 shall review a proposed decision and shall have the
26 power to approve, modify, or veto a proposed decision.
27 The director's decision on a waiver request shall be
28 considered final agency action subject to judicial
29 review under chapter 17A.

30 Sec. 22. Section 229.13, subsection 7, paragraph a,
31 subparagraph (1), if enacted by 2016 Iowa Acts, Senate
32 File 2259, section 1, is amended to read as follows:

33 (1) The respondent's mental health professional
34 acting within the scope of the mental health
35 professional's practice shall notify the committing

1 court, with preference given to the committing judge,
2 if available, in the appropriate county ~~who~~ and the
3 court shall enter a written order directing that
4 the respondent be taken into immediate custody by
5 the appropriate sheriff or sheriff's deputy. The
6 appropriate sheriff or sheriff's deputy shall exercise
7 all due diligence in taking the respondent into
8 protective custody to a hospital or other suitable
9 facility.

10 Sec. 23. Section 256.11, subsection 4, Code 2016,
11 as amended by 2016 Iowa Acts, House File 2392, section
12 26, if enacted, is amended to read as follows:

13 4. The following shall be taught in grades seven
14 and eight: English-language arts; social studies;
15 mathematics; science; health; age-appropriate and
16 research-based human growth and development; career
17 exploration and development; physical education; music;
18 and visual art. Career exploration and development
19 shall be designed so that students are appropriately
20 prepared to create an individual career and academic
21 plan pursuant to section 279.61, incorporate
22 foundational career and technical education concepts
23 aligned with the six career and technical education
24 service areas as defined in ~~paragraph~~ subsection 5,
25 ~~subsection~~ paragraph "h", and incorporate relevant
26 twenty-first century skills. The health curriculum
27 shall include age-appropriate and research-based
28 information regarding the characteristics of
29 sexually transmitted diseases, including HPV and the
30 availability of a vaccine to prevent HPV, and acquired
31 immune deficiency syndrome. The state board as part
32 of accreditation standards shall adopt curriculum
33 definitions for implementing the program in grades
34 seven and eight. However, **this subsection** shall
35 not apply to the teaching of career exploration and

1 development in nonpublic schools. For purposes of this
2 section, *"age-appropriate"*, *"HPV"*, and *"research-based"*
3 mean the same as defined in [section 279.50](#).

4 Sec. 24. Section 272.25, subsection 3, Code 2016,
5 as amended by 2016 Iowa Acts, Senate File 2196, section
6 3, is amended to read as follows:

7 3. A requirement that the program include
8 instruction in skills and strategies to be used in
9 classroom management of individuals, and of small and
10 large groups, under varying conditions; skills for
11 communicating and working constructively with pupils,
12 teachers, administrators, and parents; preparation in
13 reading theory, knowledge, strategies, and approaches,
14 and for integrating literacy instruction ~~in~~ into
15 content areas in accordance with section 256.16; and
16 skills for understanding the role of the board of
17 education and the functions of other education agencies
18 in the state. The requirement shall be based upon
19 recommendations of the department of education after
20 consultation with teacher education faculty members in
21 colleges and universities.

22 Sec. 25. Section 521A.6B, subsection 5, paragraph
23 e, if enacted by 2016 Iowa Acts, House File 2394,
24 section 10, is amended to read as follows:

25 e. Entering into agreements with or obtaining
26 documentation from any insurer registered under
27 section 521A.4, any member of an internationally
28 active insurance group, and any other state, federal,
29 or international regulatory agency for members of the
30 internationally active insurance group, that provides
31 the basis for or otherwise clarifies the commissioner's
32 role as group-wide supervisor of an internationally
33 active insurance group, including provisions for
34 resolving disputes with other regulatory officials.
35 Such agreements or documentation shall not serve as

1 evidence in any proceeding that any insurer or person
2 within an insurance ~~company~~ holding company system
3 not domiciled or incorporated in this state is doing
4 business in this state or is otherwise subject to
5 jurisdiction in this state.

6 Sec. 26. Section 598C.102, subsection 8, paragraph
7 b, if enacted by 2016 Iowa Acts, Senate File 2233,
8 section 2, is amended to read as follows:

9 b. An individual who has custodial responsibility
10 for a child under a law of this state other than this
11 chapter.

12 Sec. 27. 2016 Iowa Acts, House File 2269, section
13 20, subsection 1, is amended to read as follows:

14 1. It is amended, rescinded, or supplemented by the
15 affirmative action of the executive ~~council~~ committee
16 of the Iowa beef cattle producers association created
17 in section 181.3, as amended in this Act.

18 Sec. 28. 2016 Iowa Acts, Senate File 378, section
19 2, is amended to read as follows:

20 SEC. 2. REPEAL. Section 80.37, Code ~~2015~~ 2016, is
21 repealed.

22 Sec. 29. 2016 Iowa Acts, Senate File 2185, section
23 2, if enacted, is amended by striking the section and
24 inserting in lieu thereof the following:

25 SEC. 2. Section 709.21, subsection 3, Code 2016, is
26 amended to read as follows:

27 3. A person who violates this section commits a
28 ~~serious~~ an aggravated misdemeanor.

29 DIVISION VI

30 AREA EDUCATION AGENCY FUNDING

31 Sec. 30. SPECIAL EDUCATION SUPPORT SERVICES
32 FUNDING. Notwithstanding the provisions of section
33 257.35, subsection 11, and section 257.37, subsection
34 6, for the budget year beginning July 1, 2016, an area
35 education agency shall use the total amount determined

1 to be available to the area education agency under
2 section 257.35 and any unreserved fund balances for
3 media services or education services that exceed
4 an amount equal to 5 percent of the area education
5 agency's budget for media services and education
6 services for that budget year, and including funds
7 that exceed the payment for special education support
8 services pursuant to section 257.35, in a manner to
9 best maintain the level of required area education
10 agency special education support services.

11 Sec. 31. EFFECTIVE UPON ENACTMENT. This division
12 of this Act, being deemed of immediate importance,
13 takes effect upon enactment.

14 DIVISION VII

15 SCHOOL DISTRICT FUNDING

16 Sec. 32. Section 257.2, subsection 2, Code 2016, is
17 amended by striking the subsection.

18 Sec. 33. NEW SECTION. 257.14A District cost per
19 pupil equity — budget adjustment.

20 1. The board of directors of an eligible school
21 district with a regular program district cost per pupil
22 for the budget year beginning July 1, 2016, that is
23 less than the highest regular program district cost
24 per pupil among all school districts in the state for
25 the same budget year that wishes to receive the budget
26 adjustment under this section may adopt a resolution
27 by June 30, 2016, and shall notify the department of
28 management of the adoption of the resolution and the
29 amount of the budget adjustment to be received.

30 2. a. For the budget year beginning July 1,
31 2016, each eligible school district that satisfies
32 the requirements of subsection 1 shall be eligible
33 for a budget adjustment for that budget year in an
34 amount not to exceed the difference between the school
35 district's regular program district cost per pupil

1 for the budget year beginning July 1, 2016, and the
2 highest regular program district cost per pupil among
3 all school districts in the state for the same budget
4 year multiplied by the district's budget enrollment
5 for the budget year beginning July 1, 2016. The
6 resolution adopted under subsection 1 may specify a
7 budget adjustment amount that is less than the maximum
8 amount authorized under this paragraph "a".

9 **b.** The eligible school district shall fund the
10 budget adjustment solely by using cash reserve moneys
11 available to the school district during the budget
12 year beginning July 1, 2016. Amounts used to fund the
13 budget adjustment may be used by the school district
14 for any school general fund purpose.

15 **c.** An eligible school district receiving a budget
16 adjustment under this section shall be subject to the
17 reduction of the maximum cash reserve levy authorized
18 in section 298.10, subsection 3, paragraph "b", and
19 shall in one or more subsequent budget years reimburse
20 the school district's cash reserve amount the total
21 amount of the budget adjustment received during the
22 budget year beginning July 1, 2016, using school
23 district general fund moneys that are part of the
24 school district's authorized expenditures in section
25 257.7.

26 **3.** A budget adjustment received under this section
27 shall not affect the eligibility for or amount of any
28 other budget adjustment authorized by law for the same
29 budget year. In addition, a budget adjustment under
30 this section shall be limited to the budget year for
31 which the adjustment was authorized and shall not be
32 included in any computation of a school district's cost
33 for any future budget year.

34 **4.** For purposes of this section, "*eligible school*
35 *district*" means a school district located in whole or

1 in part within a county with a population in excess of
2 one hundred fifty thousand but less than two hundred
3 thousand and that has a budget enrollment in excess
4 of ten thousand for the budget year beginning July 1,
5 2016.

6 Sec. 34. Section 257.34, Code 2016, is amended to
7 read as follows:

8 **257.34 Cash reserve information.**

9 1. If a school district receives less state school
10 foundation aid under section 257.1 than is due under
11 that section for a base year and the school district
12 uses funds from its cash reserve during the base year
13 to make up for the amount of state aid not paid, the
14 board of directors of the school district shall include
15 in its general fund budget document information about
16 the amount of the cash reserve used to replace state
17 school foundation aid not paid.

18 2. If a school district uses funds from its cash
19 reserve during the budget year beginning July 1, 2016,
20 to fund a budget adjustment under section 257.14A, the
21 board of directors of the school district shall include
22 in its general fund budget document information about
23 the amount of the cash reserve used for such purpose.

24 Sec. 35. Section 298.10, subsection 3, Code 2016,
25 is amended to read as follows:

26 3. a. For fiscal years beginning on or after
27 July 1, 2012, the cash reserve levy for a budget
28 year shall not exceed twenty percent of the general
29 fund expenditures for the year previous to the base
30 year minus the unexpended fund balance, as defined in
31 section 257.2, for the year previous to the base year.

32 b. For fiscal years beginning on or after July
33 1, 2017, the maximum amount of the cash reserve levy
34 calculated under paragraph "a" shall be reduced by an
35 amount equal to the amount of the budget adjustment

1 authorized by the school district under section 257.14A
2 that has not been reimbursed by the school district
3 pursuant to section 257.14, subsection 2, paragraph
4 "c".

5 Sec. 36. EFFECTIVE UPON ENACTMENT. This division
6 of this Act, being deemed of immediate importance,
7 takes effect upon enactment.

8 DIVISION VIII

9 WATER UTILITIES

10 Sec. 37. Section 388.1, Code 2016, is amended by
11 adding the following new subsections:

12 NEW SUBSECTION. 1A. "*Population*" means the
13 population shown by the latest preceding certified
14 federal census or the latest applicable population
15 estimate issued by the federal government, whichever is
16 most recent and available as of July 1 of the preceding
17 fiscal year.

18 NEW SUBSECTION. 2A. "*Water utility services*"
19 means providing water at retail or wholesale cost;
20 water withdrawal, storage, treatment, or distribution
21 facilities; other equipment or facilities necessary for
22 the operation of a water utility; or water management,
23 operation, or billing services.

24 Sec. 38. Section 388.3, Code 2016, is amended to
25 read as follows:

26 **388.3 Procedure upon approval.**

27 1. If a proposal to establish a utility board
28 receives a favorable majority vote, the mayor shall
29 appoint the board members, as provided in the proposal,
30 subject to the approval of the council. The council
31 shall by resolution provide for staggered six-year
32 terms for, and shall set the compensation of, board
33 members.

34 2. A board member appointed to fill a vacancy
35 occurring by reason other than the expiration of a term

1 is appointed for the balance of the unexpired term.

2 3. A public officer or a salaried employee of the
3 city may not serve on a utility board.

4 4. Notwithstanding section 388.2, a board for
5 a city with a population of more than one hundred
6 ninety thousand that provides water utility services
7 to persons who reside outside of the city limits or to
8 other cities shall be appointed as follows:

9 a. The mayor of the city with a population of one
10 hundred ninety thousand or more shall appoint two board
11 members, subject to approval by the city council.

12 b. The mayor of each city with a population of
13 more than fifteen thousand and less than one hundred
14 ninety thousand where the city utility provides utility
15 services shall each appoint one board member, subject
16 to approval by the respective city councils.

17 c. The board of supervisors of each county in which
18 the city utility provides utility services shall each
19 appoint one board member. Such board members shall
20 reside in an area in which the city utility provides
21 utility services that is not within a city with a
22 population of more than fifteen thousand. However, if
23 the utility services in the county are provided to a
24 rural water district organized under chapter 357A, the
25 board of the rural water district shall appoint the
26 board member.

27 5. The board established in subsection 4 shall, by
28 resolution, provide for staggered six-year terms and
29 shall set the compensation for the board members.

30 DIVISION IX

31 CITY UTILITY BILLINGS AND COLLECTIONS — LIENS

32 Sec. 39. Section 384.84, subsection 4, paragraph
33 a, Code 2016, is amended by adding the following new
34 subparagraph:

35 NEW SUBPARAGRAPH. (4) A lien under subparagraph

1 (1) shall not be placed upon a premises that is a
2 mobile home, modular home, or manufactured home served
3 by any of the services under that subparagraph if the
4 mobile home, modular home, or manufactured home is
5 owned by a tenant of and located in a mobile home park
6 or manufactured home community and the mobile home park
7 or manufactured home community owner or manager is the
8 account holder, unless the lease agreement specifies
9 that the tenant is responsible for payment of a portion
10 of the rates or charges billed to the account holder.

11 Sec. 40. Section 384.84, subsections 10 and 11,
12 Code 2016, are amended to read as follows:

13 10. For the purposes of **this section**, "*premises*"
14 includes a mobile home, modular home, or manufactured
15 ~~home as defined in **section 435.1**, when the mobile home,~~
16 ~~modular home, or manufactured home is taxed as real~~
17 ~~estate, and mobile home park and "*manufactured home*~~
18 ~~*community*" mean as defined in section 435.1.~~

19 11. Notwithstanding **subsection 4**, except for mobile
20 home parks or manufactured home communities where the
21 mobile home park or manufactured home community owner
22 or manager is responsible for paying the rates or
23 charges for services, a lien shall not be filed against
24 the land if the premises are located on leased land.
25 If the premises are located on leased land, a lien may
26 be filed against the premises only.

27 DIVISION X

28 ELECTRIC TRANSMISSION LINES

29 Sec. 41. **NEW SECTION. 478.6A Merchant line**
30 **franchises — requirements — limitations.**

31 1. a. For purposes of this section, "*bifurcation*"
32 means the conducting of two separate hearings when
33 a petition involves the taking of property under
34 eminent domain, one hearing considering whether the
35 proposed line is necessary to serve a public use and

1 represents a reasonable relationship to an overall plan
2 of transmitting electricity in the public interest, and
3 the other considering the granting of eminent domain
4 authority.

5 *b.* For purposes of this section, "*merchant*
6 *line*" means a high-voltage direct current electric
7 transmission line which does not provide for the
8 erection of electric substations at intervals of less
9 than fifty miles, which substations are necessary
10 to accommodate both the purchase and sale to persons
11 located in this state of electricity generated or
12 transmitted by the franchisee.

13 2. A petition for a franchise to construct a
14 merchant line, in addition to any other applicable
15 requirements pursuant to this chapter, shall be subject
16 to all of the following:

17 *a.* The board shall not permit the bifurcation in
18 any manner of a petition and shall reject any request
19 by a petitioner for bifurcation.

20 *b.* Notwithstanding section 478.10, the sale and
21 transfer of a merchant line, by voluntary or judicial
22 sale or otherwise, shall not carry with it the transfer
23 of the franchise.

24 *c.* Notwithstanding section 478.21, if a petition
25 that involves the taking of property under eminent
26 domain is not approved by the board and a franchise
27 granted within three years following the date of
28 the first informational meeting held in any county
29 regarding the petition, pursuant to section 478.2, the
30 utilities board shall reject the petition and make a
31 record of the rejection. A petitioner may not file a
32 petition for the same or a similar project that has
33 been rejected under this subsection within sixty months
34 following the date of rejection.

35 *d.* The board shall not grant a petition that

1 involves the taking of property under eminent domain
2 unless a minimum of seventy-five percent of the
3 easements necessary to construct the project have been
4 obtained voluntarily.

5 e. In considering whether to grant a petition that
6 involves the taking of property under eminent domain,
7 section 478.3, subsection 3, is not applicable, and
8 the term "*public*" shall be interpreted to be limited to
9 consumers located in this state.

10 Sec. 42. EFFECTIVE UPON ENACTMENT. This division
11 of this Act, being deemed of immediate importance,
12 takes effect upon enactment.

13 Sec. 43. APPLICABILITY. This division of this Act
14 is applicable to petitions for franchise filed on or
15 after November 1, 2014, that have not been approved
16 by the utilities board on or after the effective date
17 of this division of this Act, and to petitions for
18 franchise filed on or after the effective date of this
19 division of this Act.>>

20 2. Title page, line 4, after <date> by inserting
21 <and applicability>